



Senate

General Assembly

File No. 163

January Session, 2001

Substitute Senate Bill No. 916

Senate, April 9, 2001

The Committee on Energy and Technology reported through SEN. PETERS of the 20th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

**AN ACT CONCERNING ADEQUATE BACK-UP SUPPLIES OF
ALTERNATIVE FUEL FOR COMMERCIAL AND INDUSTRIAL
CONSUMERS OF NATURAL GAS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 16-19hh of the general statutes is repealed and the following
2 is substituted in lieu thereof:

3 (a) In order to encourage economic development and maintain the
4 state's manufacturing base, the department shall: (1) Continue to
5 implement flexible pricing when it determines that such pricing is
6 appropriate; (2) require each water and gas company, as defined in
7 section 16-1, which serves manufacturing customers and has not yet
8 done so, to propose, in its first application for an amendment of rates
9 filed pursuant to section 16-19 on or after October 1, 1993, flexible and
10 innovative rates which promote manufacturing, which rates may
11 include, but not be limited to, economic development, business
12 retention, competitive energy, interruptible, conservation and time of

13 use rates; and (3) require each water and gas company, as defined in
14 said section 16-1, to support and promote the Connecticut
15 manufacturing program for energy technology.

16 (b) Notwithstanding the provisions of subsection (a) of this section,
17 an electric company or electric distribution company that (1)
18 renegotiates, extends or renews any special contract for electric service
19 that is in effect on July 1, 2000, and has a term that expires prior to July
20 1, 2000, for a term that extends beyond June 30, 2000, or (2) enters into
21 any new special contracts for electric service, shall provide in any such
22 renegotiated, extended, renewed or new contract for the collection of
23 the assessment required under section 16-245g as provided in said
24 section 16-245g and for the collection of the charge required in section
25 16-245l as provided in said section 16-245l provided no such contract
26 shall shift costs to other ratepayers.

27 (c) Notwithstanding the provisions of subsections (a) and (b) of this
28 section, a customer that is an existing or proposed manufacturing plant
29 that will add or create one hundred or more jobs and that will demand
30 at least fifty kilowatts of additional load through the construction or
31 expansion of manufacturing facilities may be exempted from a portion
32 of the payment of the competitive transition assessment required
33 under section 16-145g. A customer meeting these requirements may
34 apply to the department for an exemption from the payment of the
35 competitive transition assessment that relate to the new or incremental
36 load created by such construction or expansion. The department shall
37 hold a hearing on any such application, and if approved, direct the
38 electric distribution company to refrain from collecting a specific
39 portion of the competitive transition assessment from such customer.
40 The department may adopt regulations pursuant to chapter 54 to
41 implement the provisions of this section.

42 (d) Notwithstanding the provisions of subsection (a) of this section,
43 an industrial or commercial customer that, on or after October 1, 2001,

44 enters into or renegotiates, extends or renews an existing contract for
45 interruptible gas service shall certify to its gas company that it has an
46 adequate supply of alternative fuel available to it. Such certification
47 shall contain sufficient information to demonstrate that the means of
48 obtaining the supply of alternative fuel does not have an adverse
49 impact on the environment or public safety. Such certification shall be
50 made available to the Department of Public Utility Control upon
51 request.

ET **JOINT FAVORABLE SUBST.**

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: None

Affected Agencies: Department of Public Utility Control

Municipal Impact: None

Explanation**State and Municipal Impact:**

Requiring industrial or commercial natural gas customers to make certain certifications, and requiring that such certifications be made available to the Department of Public Utility Control has no state or municipal fiscal impact.

OLR Bill Analysis

sSB 916

**AN ACT CONCERNING ADEQUATE BACK-UP SUPPLIES OF
ALTERNATIVE FUEL FOR COMMERCIAL AND INDUSTRIAL
CONSUMERS OF NATURAL GAS.****SUMMARY:**

This bill requires an industrial or commercial natural gas customer to certify to its gas utility that it has an adequate supply of an alternative fuel if, after September 30 2001, it enters into a new contract for interruptible gas service or renegotiates, extends, or renews an existing contract. (Such customers pay a lower rate than firm customers, but are subject to supply interruptions during peak demand periods.) The certification must contain a plan that demonstrates that the means of obtaining the alternative fuel does not harm the environment or public safety. The certification must be made available to the Department of Public Utility Control on request.

EFFECTIVE DATE: October 1, 2001

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable Substitute

Yea 13 Nay 0